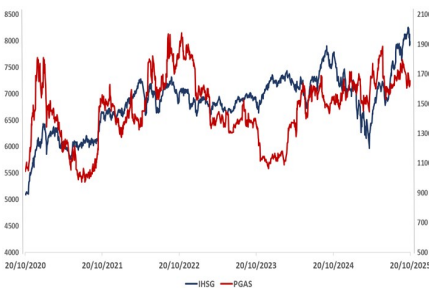


Buy

Price (Oct 22 nd , 25)	1,675
Target Price	1,860
Potential Upside	11.04%
Market Cap	40.60 T
Number of Share	24.24 B
52w Lo/Hi	1,425 /1,895

Source : IDX | Phintraco Sekuritas Research
| as of Oct 22nd, 2025

IHSG vs PGAS



Source : IDX

Shareholder	%
PT Pertamina Persero	43.03
Public	56.97

Source : Company | as of fin. statement 6M25

EPS Consensus vs Forecast

	AT	Consensus*	%Diff
2025F	203	184	+10%
2026F	217	189	+15%

Source : *Bloomberg | as of October 22nd 2025

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PT Perusahaan Gas Negara Tbk

(PGAS.JK / PGAS.IJ)

Shariah-compliant stocks, LQ45, IDX80, KOMPAS100, IDX ESG Leaders, ISSI

Securing Indonesia's Gas Supply Through Downstream Integration

PGAS's revenue grew 5.37% YoY to US\$1,937 million in 6M25. This increase was supported by the downstream segment, particularly gas trading, which contributed US\$1,248 million or 67.87% of total revenue. However, PGAS's net profit decreased 8.07% YoY to US\$214 million in 6M25. The decline in profit was driven by a 23.02% YoY increase in natural gas purchase costs, which put pressure on the company's gross profit. Net profit is projected to decline 11.74% YoY to US\$388 million in FY25 due to rising cost of goods sold. Additionally, the company's EBITDA is expected to decrease 11.38% YoY to US\$852 million in FY25.

National natural gas production is projected to reach 6,910 MMSCFD by the end of 2025, or 122.7% of the 2025 state budget target. This increase in production is supported by domestic demand, which is expected to continue growing each year. Meanwhile, national gas distribution volume is expected to remain stable by the end of 2025. The average gas distribution up to June 2025 reached 5,597 BBTUD, consisting of 3,876 BBTUD for domestic demand and 1,721 BBTUD for export. The rise in natural gas production has accelerated the decline in Indonesia's gas reserves, which are estimated to last around 13–14 years as of 2025.

As the market leader in Indonesia's downstream gas sector, PGAS continues to expand its new business ventures and low-carbon energy initiatives. PGAS holds more than 91.24% of the national gas sales market share, supported by an extensive gas pipeline network spanning over 33.36 thousand km. As a market leader, PGAS continues to grow its business by strengthening LNG-based infrastructure and services, as reflected in the development of the Arun LNG Hub project with a capacity of 127,200 m³, aimed at ensuring equitable energy distribution and creating opportunities for both domestic and international LNG trading. In addition, PGAS is developing a Biomethane project with a capacity of 1.2 BBTUD, which converts organic waste into green gas and is targeted to begin operations in 2Q27. PGAS also continues to expand its pipeline infrastructure, such as the Tegal-Cilacap pipeline project and the annual city gas projects, to enhance the efficiency and effectiveness of gas distribution across Indonesia.

PGAS has an integrated business chain with a diversified portfolio. The company's operations span from upstream to downstream, well-integrated through its subsidiaries and owned entities. In addition to focusing on its core portfolio in the downstream segment—through the distribution and sales of natural gas to end consumers—PGAS also emphasizes the development of its upstream and midstream segments. In the upstream segment, through SEI, PGAS strengthens its oil and gas exploration activities across 11 owned blocks, contributing approximately 17% to the company's EBITDA. In the midstream segment, PGAS maintains broad diversification with solid performance, particularly in gas transmission, oil transportation, LNG regasification, and LPG processing businesses, each recording positive growth in 1H25.

Using the Discounted Cash Flow method with a required return of 7.78% and a terminal growth rate of 1.43%, we estimate PGAS's fair value at Rp1,860 per share (PE25E of 9.13x and PBV25E of 0.72x, as well as PE26E of 8.56x and PBV26E of 0.70x). Considering the fair value and relative valuation, which remains below the 3-year average PBV of 0.86x, we assign a Buy rating for PGAS with an upside potential of 11.04%.

Company Profile

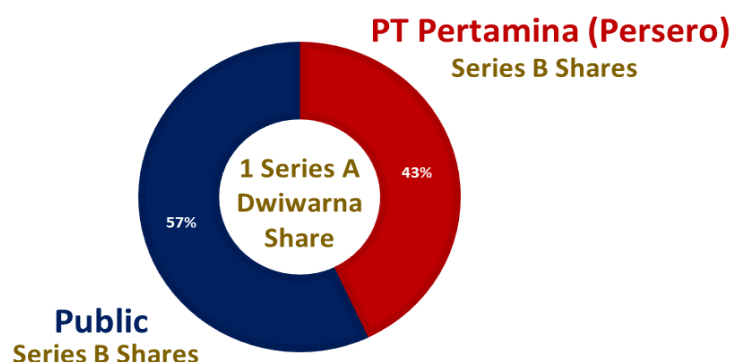
Profil Perusahaan



PT Perusahaan Gas Negara Tbk (PGAS.JK) is a gas subholding company under PT Pertamina (Persero) that focuses on the midstream and downstream segments, including transmission, distribution, regasification, storage, and natural gas trading. The company was listed on the Indonesia Stock Exchange on December 15, 2003, under the ticker PGAS. PGAS focuses on integrating gas network infrastructure across Sumatra, Java, and Eastern Indonesia. In addition, PGAS continues to develop LNG infrastructure as supply hubs for domestic needs and biomethane projects to strengthen its capabilities in low-carbon energy businesses, aligned with the Net Zero Emission (NZE) roadmap.

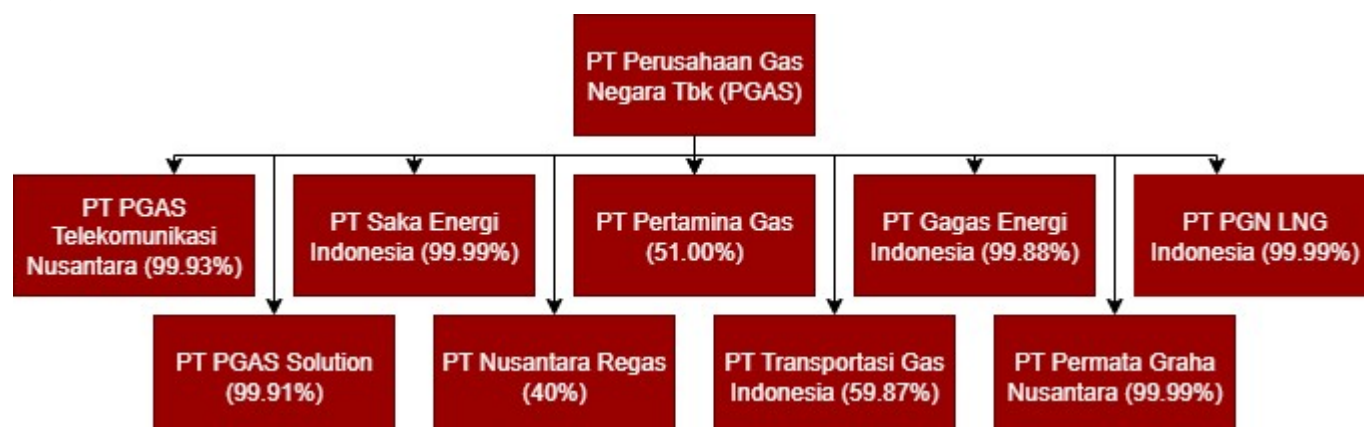
With over 60 years of experience in the gas industry, PGAS operates through 9 subsidiaries and associated entities. As of 1H25, PGAS managed more than 33.36 thousand km of gas pipeline networks across Indonesia, consisting mainly of transmission and distribution pipelines. The company serves over 820 thousand customers, with the industrial and commercial segments being the most significant revenue contributors. With its strong market position, PGAS continues to provide clean and reliable energy solutions. To this day, the company remains committed to enhancing gas network infrastructure and collaborating with all stakeholders to address gas demand and supply challenges across Indonesia.

Figure 1. PGAS Shareholder



Source : Company

Figure 2. PGAS Composition

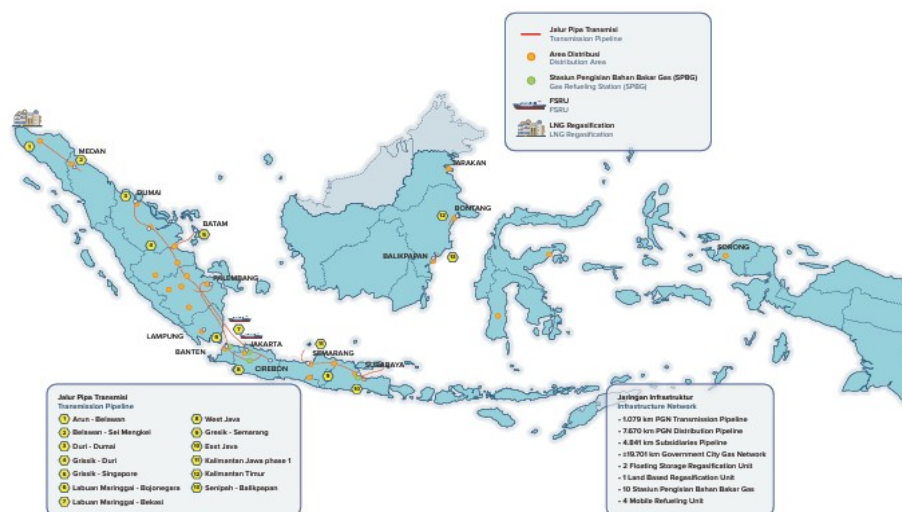


Source : Company

Company Overview

Gas Trading Segment. This segment serves as PGAS's primary business segment and the most significant revenue contributor. It covers the distribution and sales of natural gas to end users, including commercial and industrial customers, power plants, MSMEs, and households, with gas delivered through both pipeline and non-pipeline systems. This segment also includes LNG trading activities, involving the purchase and sale of LNG in global markets. The segment booked revenue of US\$3,271.6 million in 2024, driven by the development of city gas network projects. The growth continued through 1H25, with a total of 143 thousand new connections established. In 2024, PGAS operated a 33-thousand-km pipeline network, growing 2.8% YoY or by 910 km from 2023. The company targets an additional 590 km of pipeline length with a potential of 200 thousand new connections. As the operator of Indonesia's national natural gas infrastructure, PGAS continues to expand energy access across all communities. To date, its distribution areas have been decentralized nationwide. At the same time, transmission pipelines continue to expand—particularly along the Java–Sumatra route—to optimize cost efficiency and meet growing energy demand more effectively.

Figure 3. Natural Gas Infrastructure in Indonesia



Source : Company

Transmission and Transportation Business Segment. This segment consists of transporting natural gas and crude oil owned by shippers from the receipt point at gas fields, oil fields, or other sources to the delivery point off takers through high-pressure transmission pipelines or oil pipelines. PGAS earns compensation in the form of toll fees determined by the Downstream Oil and Gas Regulatory Agency (BPH Migas). PGAS owns 2,286 km of transmission pipelines out of its total pipeline network. The company continues to expand its natural gas and oil transmission and transportation network in Indonesia, with one ongoing project being the Cikampek–Plumpang oil transportation project, which involves a 96 km pipeline targeted to commence operations in 1Q27. As of 2024, the volume of natural gas transported through transmission pipeline infrastructure reached 1,458 MMSCFD, representing an increase of 5.8% YoY from 2023. This growth was driven by higher volumes from shippers in East Java for the power sector, Jembatan Tiung Baru, and increased gas flow for Pertamina's refinery needs in Balikpapan.

Company Overview

Oil and Gas Exploration and Production Segment. This segment represents PGAS's upstream oil and gas activities, including exploration, exploitation, and business development, as part of its portfolio expansion through PT Saka Energi Indonesia (SEI). SEI's revenue is derived from the lifting of crude oil, natural gas, LPG, and LNG. SEI manages a portfolio of 11 oil and gas blocks, of which six are currently in production, while five are in the exploration stage. Operational performance in oil and gas lifting declined, with total lifting volume reaching 16,774 BOEPD in 6M25, down 21.65% YoY from 21,408 BOEPD in 6M24. This decrease was mainly due to lower production across several oil and gas blocks and delays in new healthy drilling activities in the Pangkah Block.

Table 1. *Portofolio Blok Minyak dan Gas SEI*

No.	Block	Ownership (%)	Operator	Status
1	Pangkah PSC	100	SEI	Production
2	Fasken	36	Silverbow	Production
3	Ketapang PSC	19.4	Petronas	Production
4	Bangkanai PSC	30	Medco	Production
5	Muriah PSC	100	SEI	Production
6	Muara Bakau PSC	11.7	ENI	Production
7	West Bangkanai PSC	30	Medco	Exploration
8	South Sesulu PSC	100	SEI	Exploration
9	Pekawai PSC	100	SEI	Exploration
10	West Yamdena PSC	100	SEI	Exploration
11	Sangkar PSC	100	SEI	Exploration

Source : Company

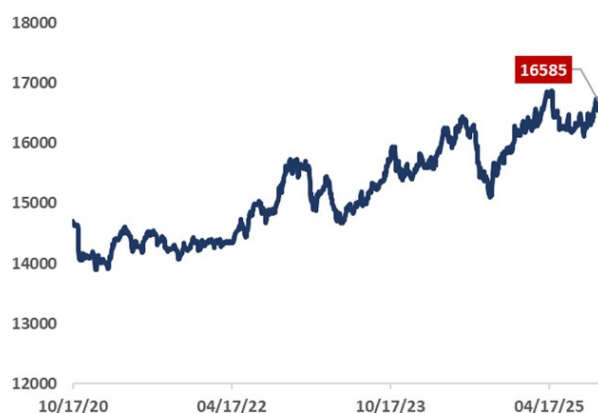
Other Business Segments. This segment consists of various supporting activities for PGAS's core operations, including telecommunications, construction, network operation and maintenance, facility and asset management, as well as oil transportation, gas processing, and regasification services. These activities are carried out by PGAS and its subsidiaries, which are integrated with other business segments. In telecommunications, PGAS—through PT PGAS Telekomunikasi Nusantara (PGNCOM)—provides fiber optic (FO) network services with operations in Singapore, Jakarta, and several major cities in western Indonesia, offering connectivity, managed services, and business solutions. Through PT PGAS Solution, the company focuses on EPC management (pipeline and gas station construction), operations and maintenance, supply chain management, and engineering services. PGAS, through PT Permata Graha Nusantara (PERMATA), also focuses on facility management, asset management, entrepreneurial real estate, and design and construction services. In the transportation segment, PGAS earns toll fees from crude oil delivery through its owned pipeline infrastructure. In gas processing, the company produces LPG to meet domestic market demand. Additionally, through its regasification services, PGAS provides regasification operations—mainly for PLN—and manages activities related to the utilization of the Lampung LNG terminal operated by PT PGN LNG Indonesia.

PGAS Development Projects. PGAS is continuously developing projects to expand its distribution reach and strengthen network infrastructure across Indonesia. As of 6M25, five projects are currently in progress, including the Cikampek–Plumpang oil transportation project targeted to begin operations in 1Q27, the Tegal–Cilacap gas pipeline infrastructure project scheduled for operation in 2Q26, the annual city gas project targeting 200 thousand connections in 2025, the Arun LNG Hub project expected to be completed by the end of 2025, and the biomethane project targeted to commence operations in 2Q27.

Industry Overview

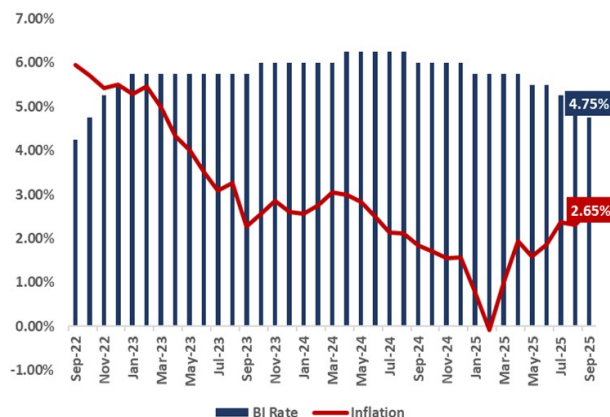
Indonesia's economic growth reached 5.12% in 2Q25, driven by an increase in household consumption of 4.97% YoY. From a sectoral perspective, the highest growth was booked in the manufacturing sector at 5.68%, followed by trade at 5.37%, construction at 4.89%, mining at 2.03%, and agriculture at 1.65%. On the other hand, Bank Indonesia's policy rate declined to 4.75% in September 2025, marking the sixth rate cut since September 2024. This decision aligns with inflation projections that are expected to remain low within the 2.5±1% target range for 2025 and 2026. The interest rate reduction may have a positive impact on PGAS, particularly if the company requires additional capital. Meanwhile, the rupiah depreciated by 2.41% YTD, which could affect the company's profit through foreign exchange losses.

Figure 4. USD/IDR



Source : Bloomberg

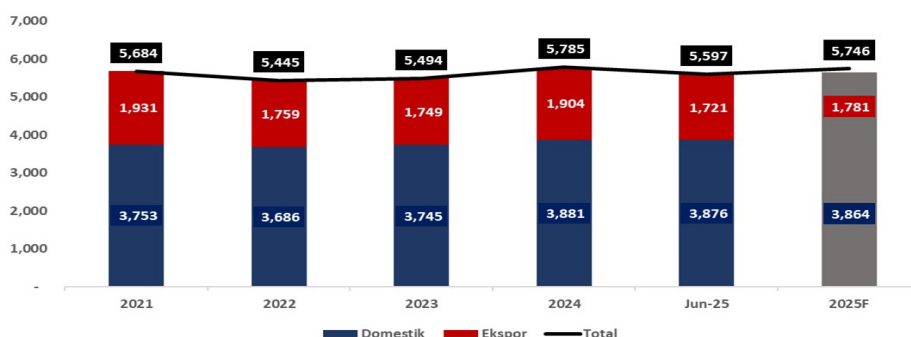
Figure 5. BI Rate & Inflation



Source : Tradingeconomics | Phintraco Sekuritas Research

The national gas distribution volume is expected to remain stable by the end of 2025. The average gas distribution as of June 2025 reached 5,597 BBTUD, consisting of 3,876 BBTUD for domestic needs and 1,721 BBTUD for export. The domestic segment plays a significant role in Indonesia's natural gas distribution, accounting for 69% of the total national gas distribution. Most domestic consumption is allocated to industry and fertilizer at 2,110 BBTUD for downstream activities. At the same time, the rest is used for gas fuel, city gas networks (Jargas), oil and gas production enhancement, power generation, LNG, and LPG. The total gas distribution volume is projected to remain stable within the range of 5,700–5,800 BBTUD by the end of 2025, with domestic demand expected to stay around 3,800 BBTUD.

Figure 6. Gas Distribution Volume (BBTUD)

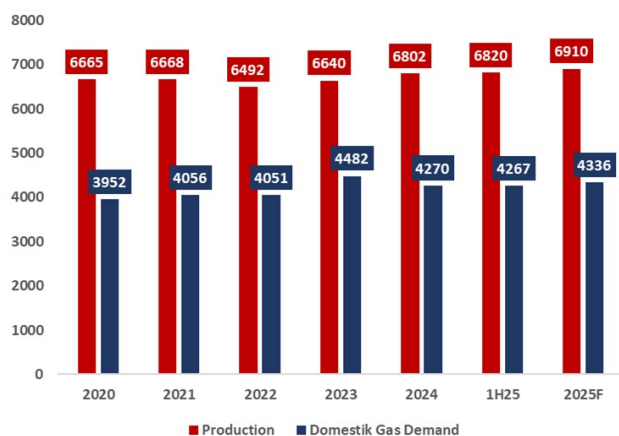


Source : Ministry of Energy and Mineral Resources | Phintraco Sekuritas Research

Industry Overview

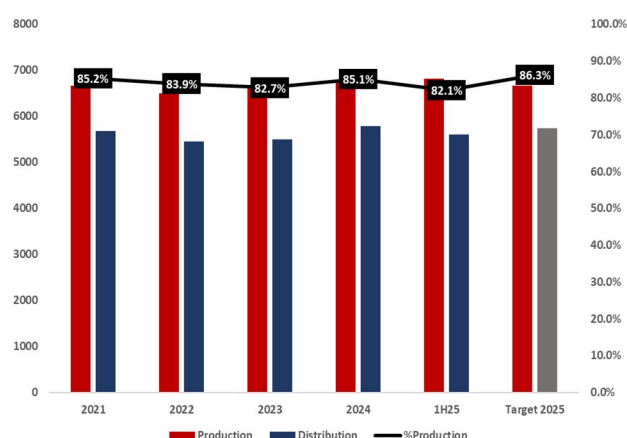
Indonesia's national gas production in FY25 is projected to exceed the 2025 State Budget (APBN) target. The country's gas production has remained stable each year, aligning with the government's production targets. The average monthly gas production in 1H25 reached 1,199 MBOEPD, equivalent to around 6,820 MMSCFD. By the end of 2025, natural gas production is expected to reach 6,910 MMSCFD, or 122.7% of the APBN 2025 target. This increase is supported by steadily growing domestic demand. By the end of 2025, domestic demand is estimated to reach 4,336 MMSCFD, accounting for 62.75% of total projected gas production. Meanwhile, the volume of gas expected to be distributed represents around 83.2% of the total 2025 gas production.

Figure 7. Gas Production (MMSCFD)



Source : Ministry of Energy and Mineral Resources | Phintraco Sekuritas Research

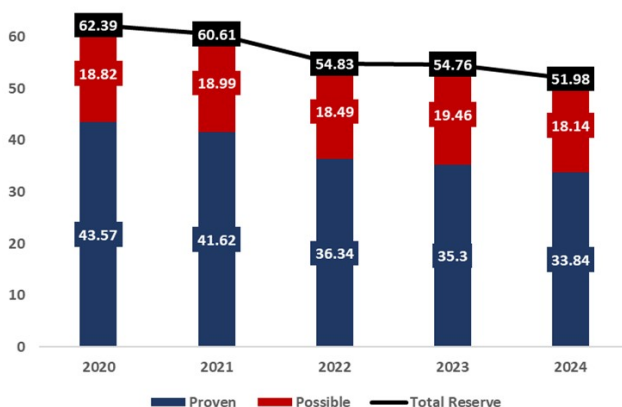
Figure 8. Gas Distribution to Gas Production (MMSCFD)



Source : Ministry of Energy and Mineral Resources | Phintraco Sekuritas Research

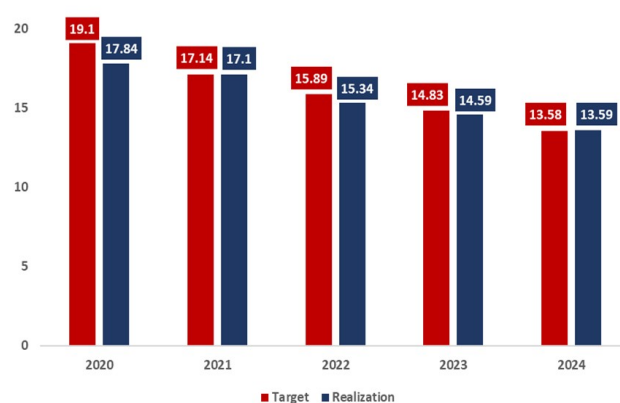
Indonesia's natural gas reserves are estimated to last around 13-14 years as of 2024. However, national reserves have shown a declining trend over the 2020-2024 period, with total reserves falling to 51.98 TSCF in 2024, consisting of 33.84 TSCF of proven reserves and 18.14 TSCF of probable reserves. Meanwhile, gas production is projected to rise to 6,910 MMSCFD in 2025, up 1.59% YoY from 2024. This increase in production could further accelerate the depletion of national reserves, leading to a lower reserve-to-production (R/P) ratio compared to the previous year. The R/P ratio in 2025 is expected to decline to around 12-13 years, continuing the downward trend observed in prior years.

Figure 9. Indonesia's Gas Reserves (TSCF)



Source : Ministry of Energy and Mineral Resources | Phintraco Sekuritas Research

Figure 10. Reserve to Production (years)

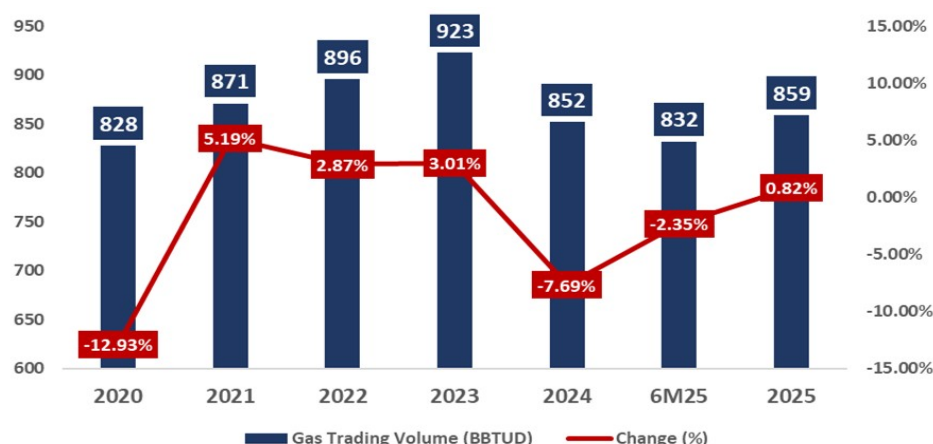


Source : Ministry of Energy and Mineral Resources | Phintraco Sekuritas Research

Investment Thesis

PGAS is the market leader in Indonesia's gas market. PGAS holds a market share of more than 91.24% of total gas sales in Indonesia, supported by an extensive gas pipeline infrastructure spanning over 33.36 thousand km. PGAS booked a gas trading volume of 832 BBTUD in 6M25. However, this volume declined compared to the same period in 2024, which booked a sales volume of 841 BBTUD. The gas trading volume for 2025 is projected at 859 BBTUD, equivalent to 93.88% of the 2025 average target of 915 BBTUD. This projection is lower, considering the sales volume in 1H25 and the imbalance between supply and demand, accompanied by overall price volatility and gas pipeline shortages, which remain challenges for PGAS in improving gas distribution and sales.

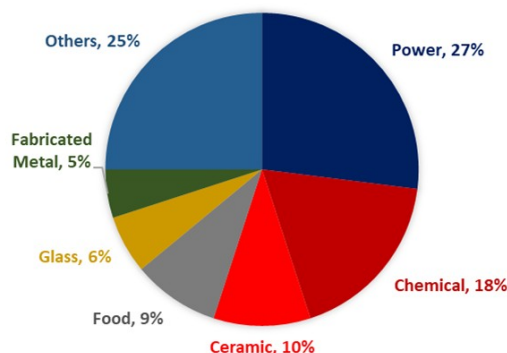
Figure 11. Gas Trading Volume



Source : Company | Phintraco Sekuritas Research

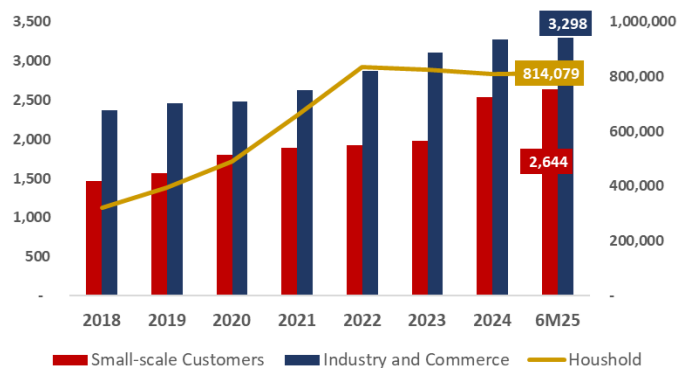
Most of the gas sales are concentrated in the industrial and commercial sectors. Nearly all gas sales are dominated by these two segments. The number of PGAS industrial customers grew at a 5-year CAGR of 4.82%, supported by the power generation and chemical sectors, which accounted for 27% and 18%, respectively. Growth in the industrial and commercial segments was also accompanied by an increase in household and small-scale users in 6M25. In the power generation sector, PGAS supplies natural gas to PLN as its primary customer for gas-fired power plants. The use of natural gas aims to improve efficiency and reduce emissions compared to coal and oil, which have higher emission levels. In the chemical industry, PGAS serves as a natural gas source and feedstock, primarily for fertilizer manufacturers, where it is utilized as both fuel and raw material in the production of ammonia, urea, and methanol.

Figure 12. PGAS's Sales Composition in Industrial Sector



Source : Company | Phintraco Sekuritas Research

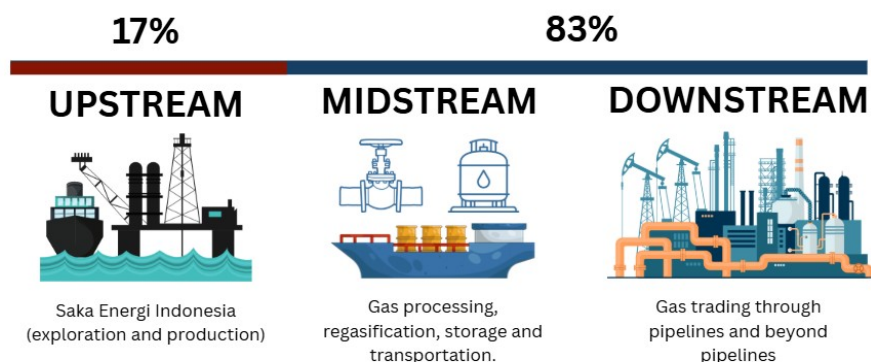
Figure 13. PGAS's Customers



Source : Company | Phintraco Sekuritas Research

PGAS has an integrated business value chain. In managing its operations, PGAS maintains a well-integrated value chain from upstream to downstream through its subsidiaries and owned entities. In the upstream segment, Saka Energi Indonesia carries out all activities, serving as an internal supply source to strengthen the national gas supply chain. This segment contributes 17% to PGAS's total EBITDA. In the midstream segment, PGAS focuses on gas transmission, transportation, and regasification in Indonesia through its extensive gas pipeline network, which is integrated with PGAS's downstream segment. In the downstream segment, PGAS concentrates on gas distribution and sales to end consumers. The downstream segment contributes the most significant portion of revenue, with gas trading accounting for 66.5% of total revenue.

Figure 14. PGAS Business Chain & EBITDA Contribution

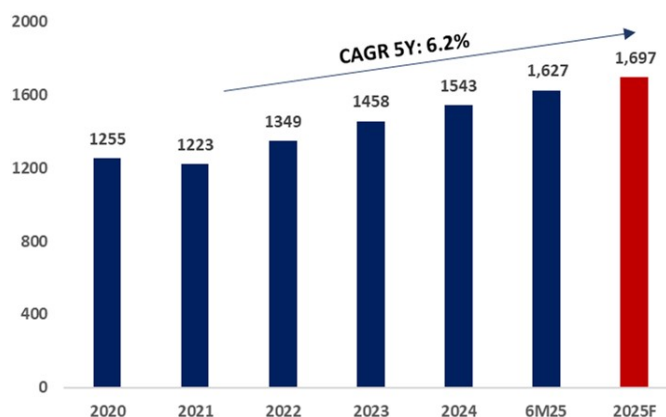


Source : Company | Phintraco Sekuritas Research

Solid performance in the midstream segment. In addition to focusing on its core business portfolio, PGAS also optimizes revenue through various other income sources by leveraging business integration and existing market share. Overall, PGAS's midstream segment showed growth. The company demonstrated solid operational performance in its oil and gas transmission and transportation businesses. Gas transmission volume grew by 10.00% YoY to 1,627 MMSCFD in 6M25. The increase in transmission volume came from existing shippers, particularly oil refineries in Kalimantan, power plants, and industrial zones in East Java through the Cirebon–Semarang pipeline. Moreover, oil transportation volume grew 15.11% YoY to 173,159 BOEPD in 6M25, supported by higher shipment volumes from the Puspa well (PEP Jambi) and the rerouting of oil transportation from Pertamina Hulu Rokan to pipelines owned by PT Pertamina Gas (Pertagas). This reflects stronger gas demand through the pipeline network, along with increased utilization of Pertagas's pipeline infrastructure. These oil and gas transmission and transportation activities represent the most significant contributors to PGAS's midstream segment. Meanwhile, LNG regasification and TUA-FSRU Lampung volumes also grew 24.24% YoY to 246 BBTUD in 6M25, driven by contributions from regasification services in Arun and the optimization of Lampung FSRU operations under the TUA agreement with PLN. In addition, LPG processing volume increased by 15.79% YoY to 22 thousand tons in 6M25, supported by optimized LPG plant operations and higher processed gas feed. The solid midstream segment performance strengthened PGAS's operational and financial results in 6M25, particularly through the optimization of its pipeline infrastructure.

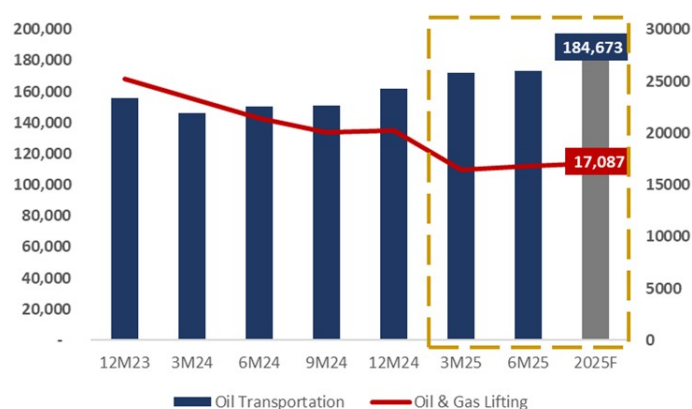
Investment Thesis

Figure 15. Gas Transmission (MMSCFD)



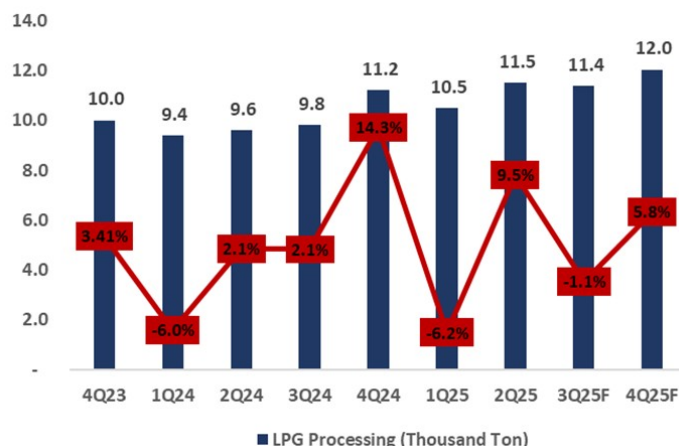
Source : Company | Phintraco Sekuritas Research

Figure 16. Oil & Gas Lifting and Oil Transportation (BOEPD)



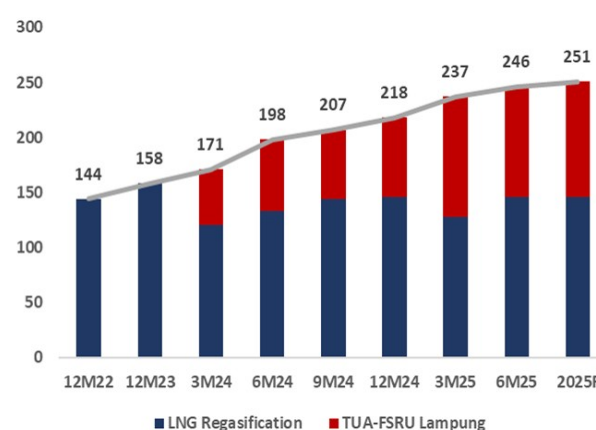
Source : Company | Phintraco Sekuritas Research

Figure 17. LPG Processing (Thousand Ton)



Source : Company | Phintraco Sekuritas Research

Figure 18. LNG Regasification & TUA-FSRU Lampung (BBTUD)



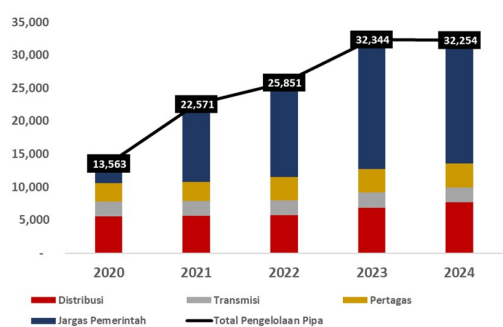
Source : Company | Phintraco Sekuritas Research

PGAS's pipeline infrastructure continues to expand and develop. In distributing gas across Indonesia, PGAS primarily utilizes pipeline gas, which offers lower prices to optimize revenue. Therefore, the company continues to expand its gas pipeline infrastructure each year. Over the past five years, the total pipeline length managed by PGAS has grown significantly with a CAGR of 19.65%. By the end of 2024, PGAS's pipeline infrastructure reached 33,254 km, consisting of 7,669 km of distribution pipelines, 2,286 km of transmission pipelines, and 19,701 km of Pertagas pipelines. Most of PGAS's pipeline network is located in Java and Sumatra, aligning with the city gas network development targets to meet gas demand in these regions. The pipeline network expansion is targeted to increase by 590 km by the end of 2025, with an additional 200 thousand connections. In addition, PGAS is constructing a pipeline in Tegal-Cilacap with a capacity of 60 MMSCFD, expected to be completed in 3Q26, with a total capex of US\$125 million. Following its developments in Java and Sumatra, PGAS continues to focus on expanding and strengthening its pipeline network across Indonesia to maintain gas price stability and promote its use as a more environmentally friendly energy source. Currently, several regions that are not yet connected to the pipeline network rely on LNG. Although PGAS aims to gradually reduce LNG usage and focus on developing gas pipeline infrastructure, its LNG business operations will remain essential in balancing gas supply and demand, particularly amid prevailing market uncertainties.

Investment Thesis

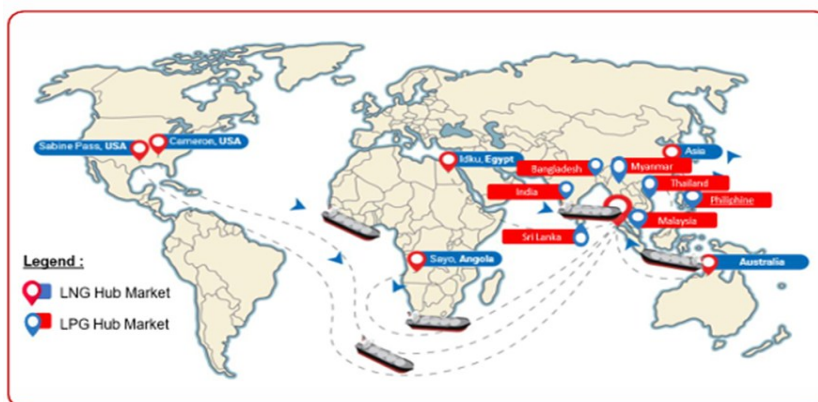
PGAS continues to expand into new businesses and low-carbon energy. In developing its business portfolio, PGAS is strengthening its LNG-based infrastructure and services, including LNG supply and trading activities, the construction of LNG facilities, and the provision of integrated energy solutions. To date, PGAS has been realizing this vision through the LNG Hub Arun project (Revitalization of Tank F-6004) with a capacity of 127,200 m³. The project has a total capex of US\$42 million and is targeted to begin operations by the end of 2025. In addition to supporting energy supply distribution to regions not yet connected to the pipeline network, the project also opens up opportunities for domestic and international LNG trading. Furthermore, PGAS is focusing on developing low-carbon energy businesses as part of its transition toward a green economy. This initiative is reflected in the Biometane Project with a capacity of 1.2 BBTUD, running from 2025 to 2026, which converts organic waste into green gas that can be distributed through PGAS's pipeline network. The project has a total capex of US\$5 million and is expected to commence operations in 2Q27. This initiative will strengthen PGAS's role in building a new foundation for sustainable and high-value-added business growth.

Figure 19. Gas Pipeline Network (KM)



Source : Company | Phintraco Sekuritas Research

Figure 20. LNG and LPG Trading Routes



Source : Company

Figure 21. Strategic Project PGAS

1. Oil Transportation – Cikampek Plumpang (2024 – 2027)	2. Gas Pipeline Infrastructure Tegal Cilacap (2025-2026)	3. City Gas Project (Annual)	4. LNG Hub Arun (Revitalization of Tank F-6004) (2025)	5. Biometane Project (2025-2026)
Product / Capacity Pipa 16" – 96 Km (79.8 thousand BOPD)	Product / Capacity 60 mmscfd	Product / Capacity 0.2 BBTUD	Product / Capacity 127.200 m ³	Product / Capacity 1,2 BBTUD
Capex Total Capex : USD 90 million Capex for 2025 : USD 20 million Realization up to June : USD 7,8 Million	Capex Total Capex : USD 125 million Capex for 2025 : USD 7 million	Capex Capex for 2025: USD 29 million Realization up to June: USD 6,2 Million	Capex Total Capex : USD 42 million Capex for 2025 : USD 12 million Realization up to June: USD 6,6 Million	Capex Total Capex : USD 5 million Capex for 2025 : USD 1 million
Progress & Target Up to June 2025 : EPC Procurement Process Target Q1 2027 : Commissioning	Progress & Target Up to June 2025 : FEED & Commercial Arrangement Target Q3 2026 : Commissioning	Progress & Target Up to June 2025: • 13.959 connection (2025) • Total 143.087 connections from 2021 Target in 2025: Addition of pipeline length 590 Km with potential 200.000 connection.	Progress & Target Up to June 2025: Construction progress 81,10% (Tank) dan 94,39% (Non Tank) Target Q3 2025 : Commissioning of Tank Q4 2025 : Commissioning of Non Tank	Progress & Target Up to June 2025: Finalization of supply-demand, EPC contractor procurement preparation Target Q2 2027 : Commissioning

Source : Company

Investment Thesis

Figure 22. Biomethane Project



Source : Company

PGAS's Digital Transformation Across the Business Value Chain. In addition to expanding its distribution network and existing business portfolio, PGAS has implemented digital transformation across its entire business value chain, from upstream operations to end customers. In the upstream segment, digitalization is applied through the DIGIO and PGN Partner systems to support efficient asset management, maintenance, and field construction. Furthermore, to ensure smooth gas distribution in the midstream segment, PGAS utilizes systems such as SIPGAS, Smart Meters, and Automatic Meter Reading (AMR), which enable automated monitoring and customer consumption recording. In the downstream segment and customer management, PGAS strengthens customer engagement through RELYON, ORACLE Siebel, and digital services such as the PGN Mobile App and Chatbot. These systems are integrated with the Enterprise Data Warehouse (EDW) and Enterprise Service Bus (ESB), allowing real-time data integration. Altogether, these systems enhance operational efficiency, transparency, and customer experience. Moreover, PGAS's business integration becomes more seamless and efficient through the implementation of these digitalization initiatives.

Figure 23. Digitalization in Gas Business Value Chain



Source : Company

Financial Highlight

PGAS's revenue grew by 5.37% YoY to US\$1,937 million in 6M25. This increase was driven by the downstream segment, particularly from gas trading, which reached US\$1,248 million and contributed 67.87% to total revenue. On the other hand, the upstream segment booked a 27.60% YoY decline in revenue to US\$141 million. PGAS's revenue is projected to grow by 2.04% YoY to US\$3,866 million in FY25. The slower growth compared to 6M25 is attributed to an expected decline in gas demand in 2H25 through the end of 2025.

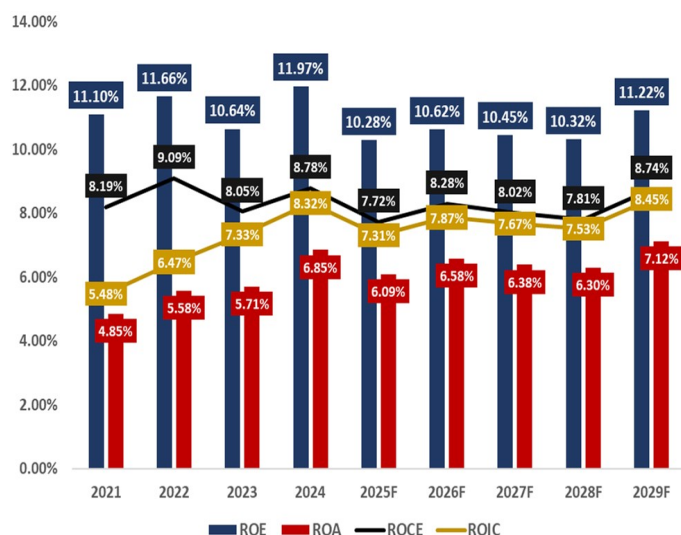
PGAS's net profit and EBITDA are expected to decline in FY25. This projection is based on 6M25 financial performance, where the company's net profit decreased by 8.07% YoY to US\$214 million. The decline in profit was mainly due to 23.02% YoY increase in natural gas purchase costs, which pressured the company's gross profit margin. Consequently, PGAS's net profit is projected to drop by 11.74% YoY to US\$388 million in FY25, driven by higher cost of revenue. Additionally, the company's EBITDA is expected to decline by 11.38% YoY to US\$852 million in FY25.

Although PGAS's net profit is projected to decline, the company continues to demonstrate solid profitability ratios. This is reflected in its sales-related ratios, with the Net Profit Margin (NPM) expected to remain stable at around 10%. In addition, the EBITDA margin is projected to stay above 20%, albeit slightly lower due to the higher cost of goods sold. Meanwhile, the Return on Assets (ROA) and Return on Equity (ROE) are also projected to maintain healthy performance, standing at around 10% and 6%, respectively.

The company's total assets are expected to grow over the next five years with a CAGR of 1.14%. This growth is driven by retained earnings, which are projected to increase with a CAGR of 3.00% over the same period. On the other hand, PGAS's debt level shows a downward trend, as reflected in the Debt-to-Equity Ratio (DER), which is expected to decline to 0.57x by FY29.

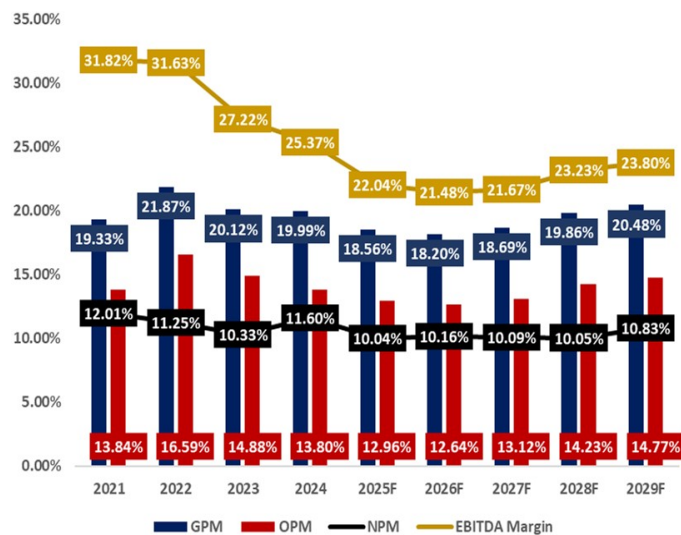
PGAS demonstrates strong liquidity ratios, reflected in a current ratio projected to remain above 1.7x. The company's relatively high current assets are mainly supported by a solid cash position, which helps maintain stable net cash flow, particularly in U.S. dollar terms. In addition, PGAS's cash ratio is also projected to remain stable above 1.0x.

Figure 24. ROA, ROE, ROCE, and ROIC



Source : Company | Phintraco Sekuritas Research

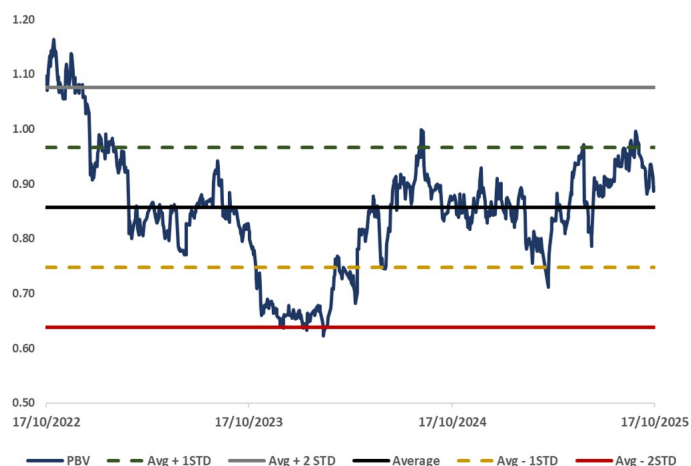
Figure 25. GPM, NPM, OPM, EBITDA Margin



Source : Company | Phintraco Sekuritas Research

Financial Highlight

Figure 26. PGAS P/E Band (3 Years)



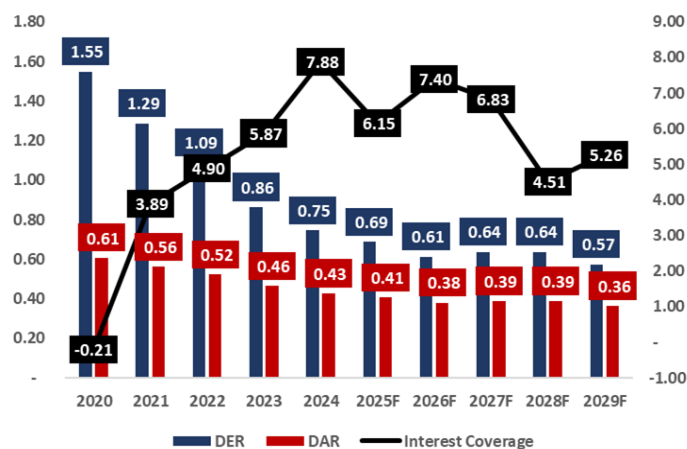
Source : Company | Bloomberg | Phintraco Sekuritas Research

Figure 27. PGAS PBV Band (3 Years)



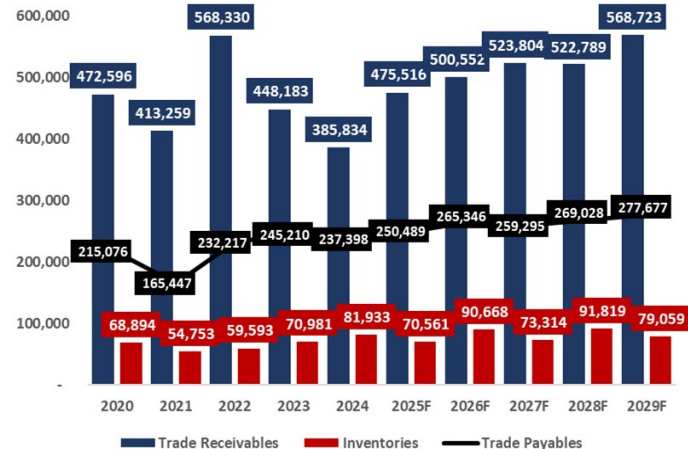
Source : Company | Bloomberg | Phintraco Sekuritas Research

Figure 28. DAR, DER, Interest Coverage



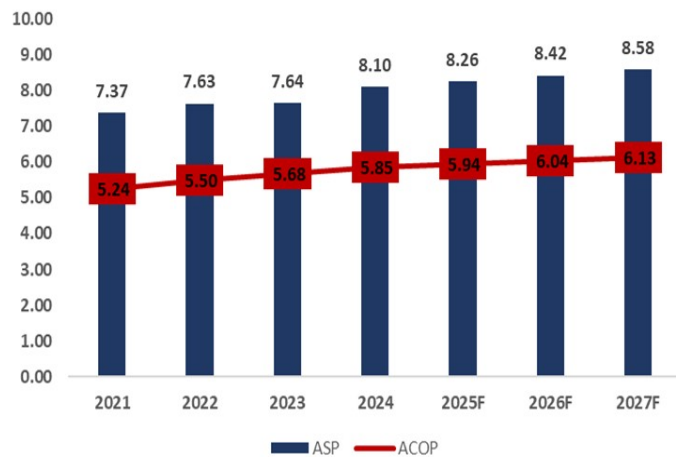
Source : Company | Phintraco Sekuritas Research

Figure 29. Working Capital



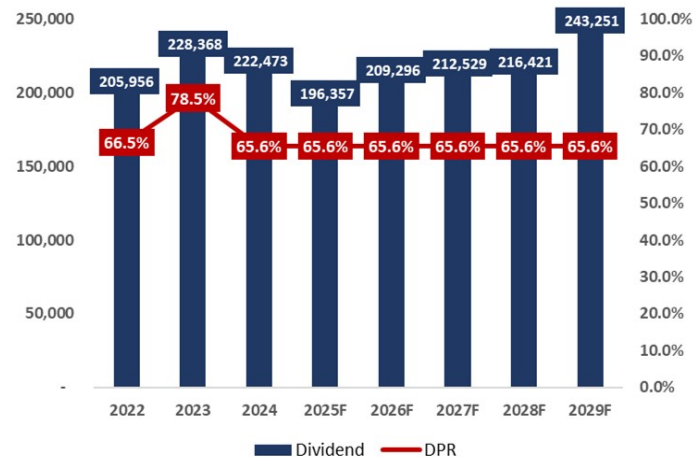
Source : Company | Phintraco Sekuritas Research

Figure 30. Dividend



Source : Company | Phintraco Sekuritas Research

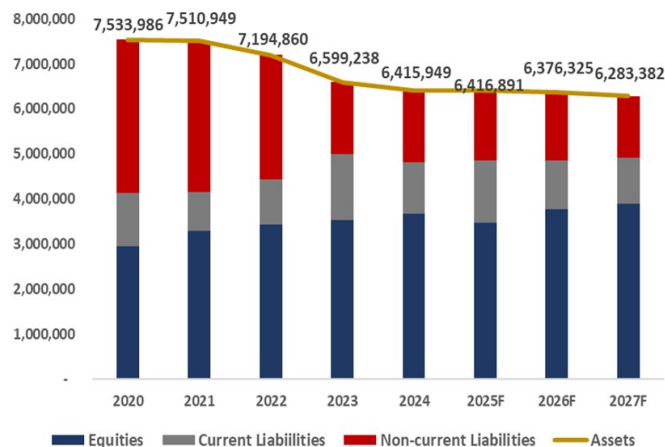
Figure 31. ASP & ACOP



Source : Company | Phintraco Sekuritas Research

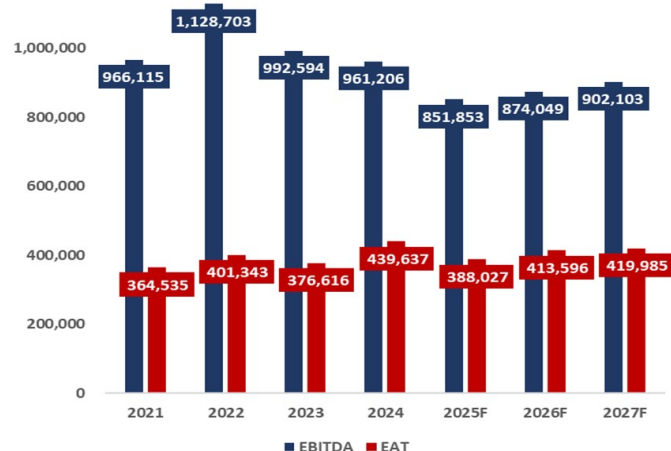
Financial Highlight

Figure 32. Asset Composition



Source : Company | Phintraco Sekuritas Research

Figure 33. EAT & EBITDA



Source : Company | Phintraco Sekuritas Research

Table 2. Revenue's Drivers

Revenue's Drivers	2022	2023	2024	2025F	2026F	2027F
Gas trading	2,496,006	2,573,099	2,519,781	2,590,122	2,780,514	2,845,033
Gas Transmission	206,917	215,077	250,691	277,296	307,550	341,881
Income from gas regasification	102,563	127,630	172,447	180,378	188,794	197,726
Crude oil and natural gas sales	585,272	431,610	354,517	291,390	239,671	197,275
Others	177,837	298,888	491,183	526,615	552,809	581,932
Total Revenue	3,568,595	3,646,304	3,788,619	3,865,801	4,069,338	4,163,848

Source : Company | Phintraco Sekuritas Research

Table 3. Cost Structure

Cost Structure	FY22	FY23	FY24	FY25E	FY26F	FY27F
Purchase of Natural Gas	1,797,341	1,914,823	1,819,566	1,863,951	1,994,108	2,033,387
Upstream Operations	436,491	366,731	305,708	382,047	408,796	418,772
Infrastructure Expense	433,423	511,801	563,534	575,014	605,289	619,347
Others Cost of Revenues	120,797	119,369	342,430	327,422	320,593	314,109
Operational Cost	217,464	215,785	275,018	256,748	265,580	270,139
Finance Costs	132,448	97,628	75,328	70,771	60,409	68,137

Source : Company | Phintraco Sekuritas Research

Financial Highlight

Table 4. PGAS's Financial Performance 1H25

PT Perusahaan Gas Negara Tbk - PGAS								
Income Statement (in thousand US\$)	6M24	6M25	YoY	1Q25	2Q25	QoQ	Phintas Estimates	%Run Rate
Total Revenue	1,838,999	1,937,792	5.4%	966,564	971,228	0.5%	3,865,801	50.1%
Revenue from Related Party								
Gas trading	314,825	358,037	13.7%	190,367	167,670	-11.9%		
Gas transmission	105,248	108,360	3.0%	51,362	56,998	11.0%		
Oil transportation	72,200	77,830	7.8%	38,105	39,725	4.3%		
Income from gas regasification	51,138	64,347	25.8%	40,498	23,849	-41.1%		
Crude oil and natural gas sales	37,255	23,481	-37.0%	12,978	10,503	-19.1%		
Construction and maintenance services	23,679	19,359	-18.2%	6,060	13,299	119.5%		
Income from gas processing	12,472	17,227	38.1%	6,958	10,269	47.6%		
Telecommunication network services		760		198	562	183.8%		
Subtotal of related party	616,817	669,401	8.5%	346,526	322,875	-6.8%	1,467,922	45.6%
Revenue-Third Party								
Gas Trading	875,487	990,058	13.1%	478,405	511,653	6.9%		
Crude oil and natural gas sales	157,292	117,378	-25.4%	55,578	61,800	11.2%		
LNG Trading	93,719	85,443	-8.8%	57,949	27,494	-52.6%		
Income from gas processing	26,415	26,633	0.8%		26,633			
Income from gas regasification	143	3,748	2521.0%	6,572	- 2,824	-143.0%		
Gas transmission	42,700	15,090	-64.7%	6,299	8,791	39.6%		
Telecommunication network services	10,288	11,684	13.6%	5,869	5,815	-0.9%		
Construction and maintenance services	12,854	12,221	-4.9%	6,336	5,885	-7.1%		
Oil transportation	3,284	6,136	86.8%	3,030	3,106	2.5%		
Subtotal of third party	1,222,182	1,268,391	3.8%	620,038	648,353	4.6%	2,397,880	52.9%
Gross Profit	407,229	319,617	-21.5%	140,614	179,003	27.3%	717,367	44.6%
EBITDA	523,555	437,924	-16.4%	192,123	245,801	27.9%	851,853	51.4%
Net Profit	232,627	213,844	-8.1%	90,193	123,651	37.1%	388,027	55.1%
Margin (%)	6M24	6M25		1Q25	2Q25			
GPM (%)	22.1%	16.5%		14.5%	18.4%			
EBITDA Margin (%)	28.5%	22.6%		19.9%	25.3%			
NPM (%)	12.6%	11.0%		9.3%	12.7%			

Financial Highlight

(in Thousand Dollars)

Balance Sheet	FY23	FY24	6M25	FY25E	FY26F	FY27F
Assets						
Cash	1,244,732	1,383,182	1,511,859	1,201,606	1,063,678	1,271,193
Trade Receivables	448,183	385,834	378,404	475,516	500,552	523,804
Other Receivables	37,697	34,243	53,436	41,549	40,862	41,399
Inventories	70,981	81,933	88,646	70,561	90,668	73,314
Other Current Assets	90,832	101,769	136,231	111,048	108,899	103,913
Total Current Assets	1,892,425	1,986,961	2,168,576	1,900,280	1,804,659	2,013,623
Fixed Assets	2,621,188	2,509,268	2,464,411	2,596,993	2,635,516	2,704,415
Oil and Gas Properties	870,126	695,790	644,226	704,326	712,353	769,902
Other Non-Current Assets	1,215,499	1,223,930	1,139,679	1,174,726	1,130,854	1,092,227
Total Non-Current Assets	4,706,813	4,428,988	4,248,316	4,476,045	4,478,723	4,566,544
Liabilities						
Trade Payables	245,210	237,398	250,467	250,489	265,346	259,295
Portion of Long Term Debt	39,689	72,450	50,000	61,072	53,067	63,466
Portion of Lease	34,827	41,360	38,346	27,888	27,020	25,772
Other Current Liabilities	1,142,692	783,279	1,046,192	731,376	679,875	758,548
Total Current Liabilities	1,462,418	1,134,487	1,385,005	1,070,825	1,025,308	1,107,081
Long-term Bank Loan	519,959	703,691	653,565	681,279	551,064	682,641
Non-Current Lease Liabilities	395,855	353,875	366,696	330,267	308,234	287,671
Other Non-Current Liabilities	680,603	552,369	546,291	518,875	504,278	485,051
Total Non-Current Liabilities	1,596,417	1,609,935	1,566,552	1,530,421	1,363,576	1,455,363
Equities						
Retained Earnings	2,870,293	2,987,248	2,730,130	3,097,120	3,214,232	3,333,153
NCI	841,548	845,481	805,603	849,414	853,347	857,280
Total Equity	3,540,403	3,671,527	3,465,334	3,775,079	3,894,498	4,017,723

Source : Company | Phintraco Sekuritas Research

(in Thousand Dollars)

CASH FLOW	FY23	FY24	FY25E	FY26F	FY27F
Cash Flow from Operating					
Net Profit	376,616	439,637	388,027	413,596	419,985
Depreciation	419,543	367,779	300,850	307,660	313,029
Impairment	- 85,490	13,763	-	-	-
Working Capital	586,869	-284,017	-158,557	- 87,824	80,324
Net-CFFO	1,297,538	537,162	530,320	633,432	813,338
Cash Flow From Investing					
Capex	245,263	95,286	397,111	354,210	439,477
Changes in					
Restricted Cash	13,750	19,641	14,807	16,284	17,909
Deferred Tax Assets	- 36,422	- 15,553	- 3,737	- 3,591	- 3,451
Other Non-Current Assets	- 164,220	4,343	- 60,274	- 56,565	- 53,085
Net-CFFI	- 58,371	-103,717	-347,907	-310,338	- 400,850
Cash Flow from Financing					
Dividends	- 228,368	-222,473	-196,357	-209,296	- 212,529
NCI Profit	- 98,525	-100,209	- 81,798	- 87,188	- 88,535
Changes in					
Long-term Bank Loan	184,644	183,732	- 22,412	-130,215	131,577
Non-Current Liabilities	-1,348,747	-170,214	- 57,102	- 36,630	- 39,790
Other Components of Equity	14,935	10,236	- 10,253	- 1,626	371
NCI	33,975	3,933	3,933	3,933	3,933
Net-CFFF	-1,442,086	-294,995	-363,989	-461,022	- 204,973
NET CASH FLOW	- 202,919	138,450	-181,576	-137,928	207,515

Source : Company | Phintraco Sekuritas Research

(in Thousand Dollars)

Income Statement	FY23	FY24	6M25	FY25E	FY26F	FY27F
Revenue	3,646,304	3,788,619	1,937,792	3,865,801	4,069,338	4,163,848
<i>Growth</i>	<i>2.2%</i>	<i>3.9%</i>	<i>2.3%</i>	<i>2.0%</i>	<i>5.3%</i>	<i>2.3%</i>
Cost of Revenue	2,912,724	3,031,238	1,618,175	3,148,434	3,328,786	3,385,615
Gross Profit	733,580	757,381	319,617	717,367	740,552	778,233
<i>GPM</i>	<i>20.1%</i>	<i>20.0%</i>	<i>16.5%</i>	<i>18.6%</i>	<i>18.2%</i>	<i>18.7%</i>
EBITDA	992,594	961,206	463,094	851,853	874,049	902,103
<i>EBITDA Margin</i>	<i>27.2%</i>	<i>25.4%</i>	<i>23.9%</i>	<i>22.0%</i>	<i>21.5%</i>	<i>21.7%</i>
EBIT	573,051	593,427	266,669	551,003	566,389	589,074
<i>EBIT Margin</i>	<i>15.7%</i>	<i>15.7%</i>	<i>13.8%</i>	<i>14.3%</i>	<i>13.9%</i>	<i>14.1%</i>
Net Profit	376,616	439,637	213,844	388,027	413,596	419,985
<i>NPM Margin</i>	<i>10.3%</i>	<i>11.6%</i>	<i>11.0%</i>	<i>10.0%</i>	<i>10.2%</i>	<i>10.1%</i>

Source : Company | Phintraco Sekuritas Research

(in Thousand Dollars)

RATIOS	FY23	FY24	FY25E	FY26F	FY27F
Liquidity Ratio					
Current Ratio (X)	1.29	1.75	1.77	1.76	1.82
Quick Ratio (X)	1.18	1.59	1.60	1.57	1.66
Cash Ratio (X)	0.85	1.22	1.12	1.04	1.15
Profitability Ratio (%)					
ROE	10.64%	11.97%	10.28%	10.62%	10.45%
ROA	5.71%	6.85%	6.09%	6.58%	6.38%
ROIC	7.33%	8.32%	7.31%	7.87%	7.67%
GPM	20.12%	19.99%	18.56%	18.20%	18.69%
NPM	10.33%	11.60%	10.04%	10.16%	10.09%
EBITDA Margin	27.22%	25.37%	22.04%	21.48%	21.67%
Market Ratio					
EPS (US\$)	0.012	0.014	0.012	0.013	0.013
Dividend Per Share (US\$)	0.01	0.01	0.01	0.01	0.01
DPR	78.5%	65.6%	65.6%	65.6%	65.6%
BVPS (US\$)	0.15	0.15	0.16	0.16	0.17
Solvability Ratio					
DER	0.86	0.75	0.69	0.61	0.64
DAR	0.46	0.43	0.41	0.38	0.39
Interest Coverage	5.87	7.88	6.15	7.40	6.83
Activity Ratio					
TATO	0.53	0.58	0.60	0.64	0.65
RTO	7.17	9.09	8.13	8.13	8.13
ITO	44.61	39.65	41.29	41.29	41.29
PTO	12.20	12.56	12.91	12.91	12.91
Operational Efficiency Ratio					
Days of Receivables	50.88	40.18	44.90	44.90	44.90
Days of Inventory	8.18	9.21	8.84	8.84	8.84
Days of Payables	29.91	29.06	28.28	28.28	28.28
Cash Coverage Cycle	29.14	20.33	25.46	25.46	25.46

Source : Company | Phintraco Sekuritas Research

Glossarium

CFFO	: Cash generated or used by a company's core business activities.
CFFI	: Cash inflows and outflows resulting from transactions related to the company's financing activities.
CFFF	: Cash inflows and outflows related to a company's financial activities, such as issuing or repurchasing shares, borrowing, or repaying loans.
EBITDA	: Company's profitability by excluding interest, taxes, depreciation, and amortization.
EBIT	: Company's profitability from its core operations, excluding interest expenses and taxes.
EBT	: Company's profit before accounting for income tax expenses.
OPM	: Financial ratio that measures the percentage of profit a company makes from its core operations, relative to its revenue.
NPM	: Financial ratio that shows the percentage of profit a company retains from its total revenue after all expenses, are deducted.
ROA	: Financial ratio that measures a company's ability to generate profit from its assets.
ROE	: Financial ratio that measures a company's profitability in relation to shareholders' equity.
EPS	: Portion of a company's profit allocated to each outstanding share of common stock
BVPS	: Value of a company's equity on a per-share basis.
RPS	: Amount of revenue generated for each outstanding share of a company's stock.
PER	: Financial ratio that compares a company's market price per share to its earnings per share (EPS).
PBV	: Financial ratio that compares a company's market price per share to its book value per share.
DPS	: Amount of dividend a company pays to its shareholders for each outstanding share.
DPR	: Financial ratio that shows the proportion of a company's earnings paid out as dividends to shareholders.
EV	: Total value of a company, including its market capitalization, debt, and excluding cash and cash equivalents.



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Rating for Stocks :

- Buy** : The stock is expected to give total return (price appreciation + dividend yield) of $> +10\%$ over the next 12 months.
- Hold** : The stock is expected to give total return of $> 0\%$ to $\leq +10\%$ over the next 12 months.
- Sell** : The stock is expected to give total return of $< 0\%$ over the next 12 months.
- Outperform** : The stock is expected to do slightly better than the market return. Equal to “moderate buy”
- Underperform** : The stock is expected to do slightly worse than the market return. Equal to “moderate sell”

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Kantor Cabang & Mitra GI BEI



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